

Rödl & Partner

NEWSLETTER LATVIA

SETTING ACCENTS

Issue:
January
2021

Unified tax account

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 - Unified tax account
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→ Unified account for tax payments

Starting from the 1st January 2021, Latvia will be introducing a unified tax account which is set to replace the use of several accounts for each type of tax payment. All taxpayer payments will now be automatically divided by taxes according to the FIFO (“First In, First Out”) principle. Oldest obligations will be covered first (the principal amount of the debt), followed by late payment charges – if they are calculated, and the finally penalties – if they are applicable. The new arrangement also changes the payment deadline for regular tax payments.

Unified tax account

From now on the following tax payments should be made to the unified tax account:

- Personal income tax;
- Corporate income tax;
- Value added tax;
- Excise duty;
- Natural resources tax;
- Lottery and gambling tax;
- Social security contributions;
- Electricity tax;
- Micro-enterprise tax;
- Subsidised electricity tax;
- Business risk state fee;
- State fee for rights to use the numbering;
- Copyright fee;
- Payments for state capital use;
- Payments for requests submitted to EU member states’ and other countries’ tax administrations for tax debt enforcement;
- Import duty, export duty and related payments, as well as value added tax and excise duty which are applied when importing goods into the customs territory of the Republic of Latvia.

We would like to draw attention to the fact that customs duties will have to be paid into a single account starting from 2023. Until then, the current arrangements remain.

The details for the single tax account are as follows:

- Beneficiary: State budget (SRS), registration number 90000010008;
- Receiving authority: State treasury, BIC: TREL LV22;
- Account number: LV33TREL1060000300000.

The SRS system will automatically allocate all received funds to their corresponding tax type, with priority being given to those taxes for which the deadline for submitting the declaration and payment of tax has expired.

Deadline for regular tax payments

The current deadline will remain in force for tax declarations whose submission deadline until the 31st December 2020 was the 20th day of the following month. For example, this applies to value added tax, corporate income tax, excise tax and natural resources tax.

From the 1st January 2021 the following changes will become effective in respect to the submission of declarations whose deadline previously was after the 20th day of the following month:

- all employer’s reports will have to be submitted by the 17th day of each month;
- all electricity tax declarations will have to be submitted by the 20th day of each month;
- statements on calculated lotteries and gambling tax will have to be declared by the 15th day of each month.

With effect from the 1st January 2021, the deadline for regular tax payments has been amended, currently it is the 23rd day of the month. Now taxpayers will now be able to combine several tax amounts into a single payment in order to transfer it to the unified tax account.

Contact for further information



Elīna Putniņa
Certified tax consultant
Partner
T +371 6733 8125
elina.putnina@roedl.com

Imprint

Publisher:
Rödl & Partner Riga
Kronvalda bulv. 3-1
LV-1010 Riga
Latvia
T +371 6733 8125
E riga@roedl.com

Responsible for the content:
Elīna Putniņa
elina.putnina@roedl.com

Layout:
Jūlija Getmane
julija.getmane@roedl.com

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